

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6796

BILL NUMBER: SB 255

NOTE PREPARED: Jan 1, 2010

BILL AMENDED:

SUBJECT: Sale of excess nursery stock.

FIRST AUTHOR: Sen. Mishler

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes an exception to the restrictions on the sale of nursery stock to allow the Department of Natural Resources (DNR) to sell excess nursery stock. It requires that the prices charged by the DNR for excess nursery stock must be at least 2 times higher for out-of-state sales.

Effective Date: July 1, 2010.

Explanation of State Expenditures:

Explanation of State Revenues: The bill allows the DNR to sell excess trees to out-of-state residents for at least 2 times the in-state cost, or at least \$0.64 per tree. The DNR receives requests for around 400,000 trees per year from non-residents. If the DNR continued to receive 400,000 out-of-state requests, the sale of trees to out-of-state residents would generate \$256,000 per year. Revenue from the sale of trees would be deposited in the Forestry account, which is used to fund the operations of the DNR Division of Forestry.

Background. In order to sell trees to Indiana residents, the DNR must charge the cost of production, which, for 2009, was \$0.32 per tree. The seedlings must be used for conservation plantings and can not be resold.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR.

Local Agencies Affected:

Information Sources: Chris Smith, Legislative Liaison, DNR, 317.233.6904.

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